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# SENATE BILL No. 324

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-15-2-1; IC 9-16-1; IC 9-18-2-8; IC 9-18-2-49; IC 9-18-46.2-6.

**Synopsis:** Contract motor vehicle registration and renewal. Provides that the bureau of motor vehicles may contract with a qualified person to provide partial license branch services. Provides that a qualified person who contracts with the bureau of motor vehicles to provide full or partial license branch services must provide these services to the general public. Provides that the qualified person may collect a fee of not more than \$20 for each transaction for providing the service. Requires the bureau of motor vehicles to adopt rules to establish procedures for qualified persons to provide these services. Provides that a person who contracts with the bureau of motor vehicles to provide partial license branch services who knowingly or intentionally fails to collect and transmit bureau fees and taxes, or deposit them with the county treasurer, commits a Class D felony. Makes conforming amendments. (The introduced version of this bill was prepared by the interim study committee on bureau of motor vehicle issues.)

**Effective:** July 1, 2001; July 1, 2002.

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## Merritt

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January 16, 2001, read first time and referred to Committee on Finance.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 324

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 9-15-2-1 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JULY 1, 2002]: Sec. 1. The commission shall do the
- 3 following:
- 4 (1) Develop and continuously update the bureau's policies.
- 5 (2) Recommend to the governor legislation that is needed to
- 6 implement the policies developed by the commission.
- 7 (3) Recommend to the bureau proposed rules that are needed to
- 8 implement the policies developed by the commission and require
- 9 those proposed rules to be adopted under IC 4-22-2.
- 10 (4) Review, revise, adopt, and submit to the budget agency budget
- 11 proposals for the commission, the bureau, and the license
- 12 branches operated under IC 9-16, including the budget required
- 13 by IC 9-16-3-3.
- 14 (5) Establish the determination criteria and determine the number
- 15 and location of license branches to be operated under IC 9-16.
- 16 However, there must be at least one (1) full service license branch
- 17 in each county.



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(6) Establish and adopt minimum standards for the operation and maintenance of each full service license branch operated under IC 9-16.

(7) ~~Before January 1, 1997,~~ Establish and adopt minimum standards for the operation and maintenance of each partial service contractor under IC 9-16. The standards must result in more convenience to the public by providing license branch services at as many ~~walk-up~~ locations as possible. ~~without increasing the costs of providing these services.~~

(8) ~~Before March 1, 1997,~~ Establish and adopt minimum standards for providing license branch services using telephonic, facsimile, electronic, or computer means under IC 9-16.

(9) Administer the state license branch fund established under IC 9-29-14.

SECTION 2. IC 9-16-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. As used in this chapter, "qualified person" means any of the following:

(1) A motor club that is any of the following:

(A) A domestic corporation.

(B) A foreign corporation qualified to transact business in Indiana under IC 23-1 or IC 23-17.

(2) A financial institution (as defined in IC 28-1-1-3).

(3) A new motor vehicle dealer licensed under IC 9-23-2.

(4) Other persons, including persons licensed under IC 9-23-2 that are not covered by subdivision (3), that the commission determines can meet the standards adopted by the commission under:

(A) IC 9-15-2-1(7); and

and the requirements for partial service contractors under section 4.5 of this chapter.

(B) IC 9-15-2-1(8).

SECTION 3. IC 9-16-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) The commission may contract with a qualified person for:

(1) the operation of a full service license branch under this section; or

(2) ~~providing the provision of~~ partial services under section 4.5 of this chapter.

(b) A contract for the operation of a full service license branch must include the following provisions:

(1) The contractor shall provide a full service license branch to the general public, including the following services:



- 1 (A) Vehicle titles.
- 2 (B) Vehicle registration.
- 3 (C) Driver's licenses.
- 4 (D) Voter registration as provided in IC 3-7.
- 5 (2) The contractor shall provide trained personnel to properly
- 6 process branch transactions.
- 7 (3) The contractor shall do the following:
- 8 (A) Collect and transmit all bureau fees and taxes collected at
- 9 the license branch.
- 10 (B) Deposit the taxes collected at the license branch with the
- 11 county treasurer in the manner prescribed by IC 6-3.5 or
- 12 IC 6-6-5.
- 13 (4) The contractor shall ~~generate a transaction volume sufficient~~
- 14 ~~to justify the installation of bureau support systems; provide~~
- 15 **equipment necessary to provide contracted-for services.**
- 16 (5) The contractor shall provide fidelity bond coverage in an
- 17 amount prescribed by the commission.
- 18 (6) The contractor may operate the license branch within a facility
- 19 used for other purposes.
- 20 (7) The contractor shall pay the cost of any post audits conducted
- 21 by the commission or the state board of accounts on an actual cost
- 22 basis.
- 23 ~~(8) The commission shall provide support systems and driver's~~
- 24 ~~license examiners on the same basis as state operated branches.~~
- 25 ~~(9) The commission shall provide the same equipment to~~
- 26 ~~contractors as is provided to state operated branches.~~
- 27 ~~(+0) (8) The commission must approve each location and physical~~
- 28 ~~facility based upon criteria developed by the commission.~~
- 29 ~~(+1) (9) The term of the contract must be for a fixed period.~~
- 30 ~~(+2) (10) The contractor shall agree to provide voter registration~~
- 31 ~~services and to perform the same duties imposed on the~~
- 32 ~~commission under IC 3-7.~~

33 SECTION 4. IC 9-16-1-4.5 IS AMENDED TO READ AS  
 34 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4.5. (a) The  
 35 commission may contract with a qualified person to provide partial  
 36 services at a qualified person's ~~walk-up~~ location, including locations  
 37 within a facility used for other purposes, such as electronic titling and  
 38 title application services and self-serve terminal access.

39 (b) **The commission may contract with a qualified person**  
 40 **referred to in section 1(3) or 1(4) of this chapter to process motor**  
 41 **vehicle registration and renewal transactions. If a motor vehicle is**  
 42 **registered by a person under this subsection, the motor vehicle tax**

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1 due under IC 6-6-5 and all bureau fees shall be collected and  
 2 transmitted in compliance with subsection (c)(2). The qualified  
 3 person shall provide the buyer or lessor of the vehicle with indicia  
 4 as set forth in IC 9-18-2-8(b). The bureau shall determine the  
 5 device to be displayed. The bureau shall deliver a certificate of  
 6 registration under IC 9-18-2-20 and issue one (1) license plate  
 7 under IC 9-18-2-30 to the owner or lessor of the vehicle. The  
 8 qualified person may collect a fee of not more than twenty dollars  
 9 (\$20) for each transaction for providing the service.

10 (c) A contract for providing motor vehicle registration and renewal  
 11 services **or electronic titling and title application services, or both,**  
 12 **and other services considered necessary by the bureau** at a walk-up  
 13 location **referred to in subsection (b)** must include the following  
 14 provisions:

15 (1) The contractor must provide trained personnel to properly  
 16 process motor vehicle registration and renewal transactions,  
 17 **electronic titling and title application services, or both, and**  
 18 **other services considered necessary by the bureau.**

19 (2) The contractor shall do the following:

20 (A) Collect and transmit all bureau fees and taxes collected at  
 21 the contract location.

22 (B) Deposit the taxes collected at the contract location with the  
 23 county treasurer in the manner prescribed by IC 6-3.5 or  
 24 IC 6-6-5.

25 (3) The contractor shall provide fidelity bond coverage in an  
 26 amount prescribed by the commission.

27 (4) The contractor shall pay the cost of any post audits conducted  
 28 by the commission or the state board of accounts on an actual cost  
 29 basis.

30 (5) The commission must approve each location and physical  
 31 facility used by a contractor.

32 (6) The term of the contract must be for a fixed period.

33 **(7) The contractor shall provide services to the general public.**

34 **(d) The bureau shall adopt rules under IC 4-22-2 to implement**  
 35 **subsection (b).**

36 SECTION 5. IC 9-16-1-6 IS AMENDED TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2002]: Sec. 6. **(a)** A person who violates section  
 38 5 of this chapter commits a Class C infraction.

39 **(b) A person who knowingly or intentionally violates section**  
 40 **4.5(c)(2) of this chapter commits a Class D felony.**

41 SECTION 6. IC 9-18-2-8 IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JULY 1, 2002]: Sec. 8. (a) The bureau shall register

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1 vehicles under the schedule in this section.

2 (b) A person who owns a vehicle shall receive a license plate,  
3 renewal tag, or other indicia upon registration of the vehicle. The  
4 bureau ~~may~~ **shall** determine the device required to be displayed.

5 (c) A corporation shall register, before February 1 of each year, the  
6 following vehicles that are owned by the corporation:

7 (1) A passenger motor vehicle that is not regularly rented to  
8 others for not more than twenty-nine (29) days in the regular  
9 course of the corporation's business.

10 (2) A recreational vehicle.

11 (3) A motorcycle.

12 (4) A truck that:

13 (A) is not regularly rented to others for not more than  
14 twenty-nine (29) days in the regular course of the corporation's  
15 business; and

16 (B) has a declared gross weight of not more than eleven  
17 thousand (11,000) pounds.

18 (d) A corporation that owns a:

19 (1) passenger motor vehicle; or

20 (2) truck that has a declared gross weight of not more than eleven  
21 thousand (11,000) pounds;

22 that is regularly rented to others for periods of not more than  
23 twenty-nine (29) days in the regular course of the corporation's  
24 business must register the passenger motor vehicle or truck before  
25 March 1 of each year.

26 (e) A person who owns a:

27 (1) passenger motor vehicle;

28 (2) recreational vehicle;

29 (3) motorcycle; or

30 (4) truck that has a declared gross weight of not more than eleven  
31 thousand (11,000) pounds;

32 that is not subject to the registration requirements under subsection (d)  
33 shall register the passenger motor vehicle, recreational vehicle,  
34 motorcycle, or truck in conformance with the schedule set forth in  
35 subsection (f).

36 (f) The following schedule applies to persons who own vehicles that  
37 are required to be registered under subsection (e):

38 (1) Persons whose last names begin with the letters A through B,  
39 inclusive, shall register before March 1 of each year.

40 (2) Persons whose last names begin with the letters C through D,  
41 inclusive, shall register before April 1 of each year.

42 (3) Persons whose last names begin with the letters E through G,

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inclusive, shall register before May 1 of each year.

(4) Persons whose last names begin with the letters H through I, inclusive, shall register before June 1 of each year.

(5) Persons whose last names begin with the letters J through L, inclusive, shall register before July 1 of each year.

(6) Persons whose last names begin with the letters M through O, inclusive, shall register before August 1 of each year.

(7) Persons whose last names begin with the letters P through R, inclusive, shall register before September 1 of each year.

(8) Persons whose last names begin with the letters S through T, inclusive, shall register before October 1 of each year.

(9) Persons whose last names begin with the letters U through Z, inclusive, shall register before November 1 of each year.

(g) A person who owns a vehicle required to be registered under subsection (c), (d), or (e) and who desires to register the vehicle for the first time must apply to the bureau for a registration application form. The bureau shall do the following:

(1) Administer the registration application form.

(2) Issue the license plate.

(3) Collect the proper registration and service fees in accordance with the procedure established by the bureau.

(h) The bureau shall issue a semipermanent plate under section 30 of this chapter, or:

(1) an annual renewal tag; or

(2) other indicia;

to be affixed on the semipermanent plate.

SECTION 7. IC 9-18-2-49 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 49. (a) Notwithstanding ~~IC 9-18-2-32~~, **section 32 of this chapter**, if a person is renewing the registration for a motor vehicle that needs a new license plate:

(1) the bureau; **or**

(2) **a qualified person as set forth in IC 9-16-1-4.5(b);**

may issue a temporary paper or cardboard license plate **or indicia as set forth in IC 9-18-2-8(b)** to the person for use on the motor vehicle. **The bureau shall determine the device required to be displayed.**

(b) A temporary license plate **or device** issued under subsection (a) is valid for thirty (30) days after the date of its issuance.

SECTION 8. IC 9-18-46.2-6, AS ADDED BY P.L.222-1999, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 6. (a) This section applies with regard to a state educational institution trust license plate supporting a state educational institution in a year following a year:



(1) in which at least ten thousand (10,000) of the state educational institution trust license plates are sold or renewed; and

(2) beginning after December 31, 1998.

(b) The treasurer of state shall establish a special account within a trust fund for each state educational institution described in subsection (a)(1).

(c) The bureau shall require a person who purchases a state educational institution trust license plate under this section to designate the state educational institution the person chooses to receive the annual fee that the person pays under section 5(2) of this chapter as the corresponding state educational institution designated in section 4 of this chapter.

(d) The treasurer of state shall deposit the annual fee collected under section 5(2) of this chapter into a special account within a trust fund for the state educational institution designated by the purchaser in subsection (c).

(e) The treasurer of state shall invest the money in the special account not distributed in the same manner as other public trust funds are invested. Interest that accrues from these investments shall be deposited in the special account.

(f) The auditor of state monthly shall distribute the money from the special account to the state educational institution's authorized alumni association.

(g) Money in the special account at the end of a state fiscal year does not revert to the state general fund.

(h) The bureau shall maintain a sufficient supply of the state educational institution trust license plates in each **license** branch ~~and partial service walk-up location~~ to provide a plate to a purchaser at the time of sale.

(i) A person who purchases a state educational institution trust license plate shall at the time of purchase or renewal of the state educational institution trust license plate give written consent for the release of the name and address of the purchaser solely for the purpose of acknowledgment of purchase of the state educational institution trust license plate to a representative designated and authorized to receive the personal information by the state educational institution.

**SECTION 9. [EFFECTIVE JULY 1, 2001] (a) Notwithstanding IC 9-16-1-4.5, as amended by this act, the bureau of motor vehicles shall, beginning July 1, 2002, carry out the duties imposed upon it under IC 9-16-1-4.5, as amended by this act, under interim written guidelines approved by the commissioner.**

**(b) The interim written guidelines must establish procedures to**



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- 1 permit qualified persons to process:  
2 (1) motor vehicle registration and renewal transactions;  
3 (2) electronic titling and title application services; and  
4 (3) other services as considered necessary by the bureau.  
5 (c) This SECTION expires on the earlier of the following:  
6 (1) The date rules are adopted under IC 9-16-1-4.5, as  
7 amended by this act.  
8 (2) December 31, 2002.

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